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No. 15-866

IN THE
Supreme Court of the United States

STAR ATHLETICA, L.L.C.,
Petitioner,

v.

VARSITY BRANDS, INC., ET AL.,
Respondents.

On Writ of Certiorari to the United States Court of Appeals for the Sixth Circuit

BRIEF *AMICUS CURIAE* FOR CHOSUN INTERNATIONAL, INC. IN SUPPORT OF RESPONDENTS

ANTHONY H. HANDAL
Counsel of Record
HANDAL & MOROFSKY, LLC
83 EAST AVENUE
SUITE 308
NORWALK, CT 06851

Counsel for Amicus Curiae Chosun International, Inc.

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INTEREST OF THE *AMICUS CURIAE*

Chosun International, Inc. ("Chosun") is primarily in the business of manufacturing and selling plush toys and plush costumes throughout the United States. It protects its intellectual property by seeking copyrights, patents and design patents. It is also been a party to numerous lawsuits involving intellectual property rights, most notably *Chosun International, Inc. v. Chrisha Creations, Ltd.*, 413 F.3d 324 (2d Cir. 2005), which involved a question closely akin to the question in this appeal.

Chosun, in the ordinary course of business, is often required to make a judgment respecting whether a proposed product of Chosun infringes copyright rights of others, or whether competitor's products infringe Chosun's rights. It is the interest of Chosun that there be a single body of law throughout the Circuit Courts of Appeal and that the same protect the products of aesthetic creativity. At the same time, Chosun has an interest that any uniform test meet the requirement to not impede competition in useful articles under the principles which guided the enactment of, and are embodied in, the Copyright Act of 1976.

Pursuant to Supreme Court Rule 37.6, Chosun and its counsel represent that they have authored the entirety of this brief, and that no person other than the *amicus curiae* or its counsel has made a monetary contribution to the preparation or submission of this brief.

Pursuant to Supreme Court Rule 37.2 (a), Petitioner consented to the filing of amicus briefs in support of either party or neither party in a docket entry dated May 10, 2016. Respondent consented to the filing of amicus briefs in support of either party or neither party in a docket entry dated May 17, 2016.

SUMMARY OF THE ARGUMENT

Since the enactment of the Copyright Act of 1976, the District and Circuit courts have grappled with the question of when a design feature in a useful article may be protected under the copyright law. Nevertheless, the result of this effort is a body of law with a diverse and clearly conflicting collection of tests.

The position detailed below stems from the conviction that the development of conflicting law, in many instances, stemmed from unsoundly according significance to factors not a part of the Copyright Act, the Congressional intent behind it or almost a century of jurisprudence that shaped the law which guided the framers of the Act.

It is universally accepted that the doctrine of separability has as its object protecting aesthetic works while at the same time respecting the longstanding public policy of protecting competition in the market for useful articles. Moreover, the conflict between protecting competition and providing intellectual property protection is not

unique to copyright law. Similar (some would say more than similar) considerations are also found in the trademark law, at the intersection of trade dress protection and the functionality of products. However, the trademark law has managed to develop without the conflicts at issue in this appeal. We propose that there is something to be learned from the evolution of this aspect of trademark law, and that applying the same to the present question, but keeping in view the relevant fundamentals of the Copyright Act, will provide a simple and workable test defining the line between protectable and unprotectable design features in useful articles.

More particularly, we propose a test that will protect an aesthetic design feature in a useful article where, in a particular set of facts and circumstances, it will not cause competitors significant non-aesthetic-related disadvantage in the marketplace, if they eliminate such an aesthetic design feature from their product. This language mirrors the tried and proven non-reputation-related disadvantage formula of trade dress law

ARGUMENT

I. This Court's Decisions in Trade Dress Cases Are Useful in Suggesting an Approach to a Test under the Copyright Act.

A. Congressional Intent

Under § 101 of the Copyright Act of 1976 (the "Act"), the design of a "useful article" is protected

"only to the extent that, such design incorporates pictorial, graphic, or sculptural features that can be identified separately from, and are capable of existing independently of, the *utilitarian* aspects of the article." 17 U.S.C. § 101 (emphasis added). In the words of the House Report on the revision of the copyright law. explaining the intent of the above statutory separability formula, "[u]nless the shape of an automobile, airplane, ladies' dress, food processor, television set, or any other industrial product contains some element that, physically or conceptually. can be identified as separable from the *utilitarian* aspects of that article, the design would not be copyrighted under the bill." H.R. REP. NO. 94-1476, at 55 (1976) (emphasis added). The statutory separability formula is a codification of this Court's decision in *Mazer v. Stein*, 347 U.S. 201 (1954).

While many have remarked that the statutory term "utilitarian" is not defined directly in the Act, Congressional intent to define "utilitarian aspects" as excluding the mere portrayal of appearance or communication of information is clear from the Act's definition of a "useful article." *See*, 17 U.S.C. § 101

But the words used in that definition, "an article having an intrinsic *utilitarian function* that is not merely to portray the appearance of the article or to convey information" (emphasis added), are particularly interesting because of the use of the term "function" "Functionality" is a well-defined term long used in trademark law and would certainly have been a familiar concept to the framers of the Copyright Act. In using this term, it is clear that the

framers saw a substantial identity in the nature of the problems posed in copyright law in the case of useful articles and those posed in trademark law by functional aspects of a claimed trade dress. Moreover, similar treatment of functionality under the Copyright Act would be consistent with the objective of protecting aesthetic expression in useful articles, but without a significant adverse impact on competition in utilitarian articles.

The concept of functionality would thus seem apt in defining the line, both between subject matter of the type which can only be protected under the patent law, on the one hand, and, on the other hand, "utilitarian aspects" of creative works and functional aspects of trade dress which cannot be protected under the copyright law and the trademark law, respectively

This suggests that the law of this Court relating to the functionality aspects of trade dress law may provide a useful avenue toward the development of a viable separability test, and one which is true to the origins and intent of the law for determining when a feature of a useful article is protectable under §101 of the Copyright Act. However, any viable test must be driven by the Copyright Act and the principles and Congressional intent which the Act embodies.

B. Congressional Intent, Historical Background and the Rationale of the Separability Doctrine

Perhaps, the preservation of free and fair competition in useful articles was first addressed in Anglo-American jurisprudence with the enactment in 1623 of the Statute of James I prohibiting monopolies.[1] The statute, which outlawed existing monopolies, was a reaction to a patent granting system originally meant to encourage the development of technology, but which had deteriorated into an abusive patronage system. The statute, accordingly. recognized an exception for patents on new technology to be granted to the first inventor for a term of less than 14 years.

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[1] The Statute of Monopolies provided: "All Monapolies and all Commissions Graunts Licences Charters and tres patents heretofore made or graunted, or hereafter to be made or graunted ... for the sole buyinge sellinge makinge workinge or usinge of any thinge ..., are altogether contrary to the Lawes of this Realme, and so are and shal be utterlie void and of none effecte, and in noe wise to be putt in use or execucion. ...

Provided alsoe That any Declaracion before mencioned shall not extend to any tres Patents and Graunt of Privilege for the tearme of fowerteene yeares or under, hereafter to be made of the sole working or makinge of any manner of new Manufactures within this Realme, to the true and first Inventor and Inventors of such Manufactures ..." 21 Jac. 1 c. 3 (1623).

The first English copyright statute, referred to as the Statute of Anne, 8 Anne, Ch. 19 (1710) and titled "An Act for the Encouragement of Learning, by Vesting the Copies of Printed Books in the Authors or Purchasers of such Copies, during the Times therein mentioned," also evolved in response to similar monopolistic concerns in the book publishing trade, but did not address the issue of preserving competition in useful articles, insofar as the act was limited to books. The Statute of Anne served as a model for the Copyright Act of 1790, passed under the authority of Article 1, Section 8 of the United States Constitution, which authorized Congress to enact copyright and patent legislation to promote the progress of science and the useful arts, respectively.

At least as early as 1879, concerns respecting misuse of the copyright law were discussed in *Baker v. Selden*, 101 U.S. 99, 102 (1879) where this Court noted that a copyright, issued without examination for novelty, could not be used by an author to monopolize a useful "art" (or "technology" in today's parlance) described in a book, and that such a monopoly is properly "the province of letters-patent, not of copyright."

Seventy-five years later, in *Mazer v. Stein* this Court spoke directly on the issue of the protectability of artistic expression which forms a part of a useful article, in a case dealing with a porcelain figurine forming the base of a lamp. The Court stated that copyright protects originality rather than novelty or invention, and that while the copyright owner could not exclude others from the general idea of using

statuettes of human figures in table lamps, the copyright owner could prevent use of copies of *its* statuettes incorporated in a useful article. The Court further stated that artistic useful articles are protected in "form but not their mechanical or utilitarian aspects," language taken from the copyright regulations of the day and eventually incorporated into the separability requirement of § 101 of the Copyright Act of 1976. *See Mazer v. Stein*, 347 U.S. 201, 212 (1954).

The separability requirement lies at the intersection of competing public policies. The first is "to afford greater encouragement to the production of literary [or artistic] works of lasting benefit to the world." *Mazer v. Stein*, *supra*, 347 U.S. 201, 219 [bracketed material in the original text of the opinion] (citing *Washingtonian Co. v. Pearson*, 306 U.S. 30, 36 [1939]). The second is the preservation of free competition in the market for useful articles, a public policy which has been ensconced in Anglo-American jurisprudence for nearly four centuries.

The decision in *Mazer* fully serves both of these policies. The porcelain figurine forming the base of the lamp could easily be replaced by any number of artistic expressions, or by a simple pipe embodying no level of artistic expression, but still providing the full measure of functional utility While an argument might be advanced that light reflecting off the copyrighted figurine might be somehow different from that reflected by a different shape, the differences would be insignificant from the

standpoint of the trade in lamps, the useful article at issue in *Mazer*.

C. The Parallel Problem in Trade Dress Law

Similar to the objective of the Copyright Act of protecting aesthetic expression without causing an adverse impact on competition in the market for useful articles, the Trademark Act of 1946 seeks to protect the ability of competitors to take advantage of their reputation and goodwill as embodied in the trade dress of a product without affecting competition in that product.

Thus, the essential difference between the copyright law and trade dress law is that copyright law is driven by the protection of aesthetic-based competitive advantages, while trade dress law is driven by the protection of reputation-based competitive advantages.

Formulation of the test in the case of trade dress has been an evolution largely over the past half-century See, for example *Inwood Laboratories, Inc. v. Ives Laboratories, Inc.*, 456 U. S. 844 at 850, n. 10 (1982). "In general terms, a product feature is functional if it is essential to the use or purpose of the article or if it affects the cost or quality of the article." Citing *Sears, Roebuck & Co. v. Stiffel Co.*, 376 U. S. 225, 232 (1964); *Kellogg Co. v. National Biscuit Co.*, 305 U. S. 111, 122 (1938).

In *Qualitex Co. v. Jacobson Products Co.*, 514 US 159 (1995), this Court explained the rationale of the rule in *Inwood Laboratories*, stating that a product

feature cannot serve as a trademark "if exclusive use of the feature would put competitors at a significant non-reputation-related disadvantage." This is essentially the current formulation of the test.

D. A Parallel and Primary Functionality Inquiry under the Copyright Act

Given the treatment of the parallel problem in trade dress law. it would follow that a design feature would be an unprotectable as inseparable from a utilitarian aspect, if it is 1) essential to the use or purpose of the useful article, or 2) if omission of that design feature would adversely affect the cost or quality of the article. In other words, a design feature would be inseparable if denying competitors use of that feature would put them at a significant non-aesthetic-related disadvantage.

Thus, the analysis would begin with an identification of the design feature being claimed and a determination whether it is copyright eligible. Once identified and qualified as copyright eligible, the impact on competition of conferring copyright protection on the design feature may be assessed. Such an approach would be true to Congressional intent and the genesis of the separability doctrine.

Certainly, some of the other tests posited by the various Circuits, in conjunction with the above inquiry, are viewed by Chosun as likely to be useful in resolving the question of separability, but only to the extent that the same reflect Congressional intent

that copyright protection not adversely impact competition.

In the present case, application of this test supports the result reached by the Sixth Circuit, but with a simplicity which should promote uniformity among the Circuits.

II. The Other Tests

In many respects, the test proposed above is substantively very close to the Objectively Necessary Test suggested in *Carol Barnhart, Inc. v. Economy Cover Corp.*, 773 F.2d 411 (2d Cir.1985), but has the flexibility of looking at the significance of the non-aesthetic-related impact. It also has the advantage of an approach which has stood the test of time and the trademark field. In addition, it is focused on the effect on competition, in the particular case at hand, as opposed to forcing the court to identify utilitarian functions in a vacuum, some of which may be only theoretical and only confuse the analysis.

Likewise, the test posited at §924.2 (B) of the Compendium of US Copyright Office Practices (3d ed 2014), which recognizes separability if the artistic feature and the useful object can both exist side-by-side. This test, at its core, requires the possibility of a fully realized useful article existing apart from the design feature, thus indicating a situation where the design feature cannot affect competition in the useful article.

The primary-subsidiary test of *Kieselstein-Cord v. Accessories by Pearl, Inc.*, 632 F.2d 989, 993 (2d Cir.

1980) appears problematic as inviting a judgment that aesthetic features are so important in a particular article that they are functional and thus not protectable. See *Jovani Fashion, Ltd. v. Cinderella Divine, Inc.*, 808 F Supp. 2d 542 (SDNY 2011).

Similarly. the ordinary-observer test depends on the perception of different concepts by an ordinary observer, something completely divorced from the competition concerns of the Copyright Act. Such an approach is, in the view of Chosun, not sound. The same may be said for tests based on the design process, as the same relate not to competition but to the artistic judgment of the designer.

Likewise, the likelihood of marketability test speaks not to effects on competition but to the merit of the design, and therefore appears clearly disconnected from the intent of the Copyright Act and accordingly should be rejected.

III. CONCLUSION

Chosun respectfully urges that this Court to resolve the split and authority with a straightforward separability test faithful to the intent of the Copyright Act. It is submitted that the approach outlined above serves the competition-based concerns of the separability doctrine while also

protecting works of aesthetic expression, whether in clothing or other useful articles.

Respectfully submitted,

ANTHONY H. HANDAL
(Counsel of Record)

HANDAL & MOROFSKY, LLC
83 East Avenue
Suite 308
Norwalk, CT 06825
(917) 880 0811
(handal@handalglobal.com)

Counsel for Amicus Curiae
Chosun International, Inc.